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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 12/16/08

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Articles:

- 1) ASDF begins withdrawal from Iraq

TOKYO SHIMBUN (Top play) (Full)  
December 16, 2008

The Air Self-Defense Force has now wound up its airlift activities conducted in Iraq under a law for special measures to assist with Iraq's reconstruction. The ASDF airlift squadron in Iraq began to withdraw on the afternoon of Dec. 15. The first one of the three ASDF C-130 transport planes left Ali Al Salem Air Base in Kuwait for Japan that day at 12:54 a.m. (6:54 p.m., Japan time). The Self-Defense Forces' dispatch to Iraq started in 2004. Five years later, the SDF mission in Iraq will end.

The C-130 transport will take five days on its way back home by way of the Maldives, Thailand, the Philippines, and Okinawa. It will arrive at the ASDF's Komaki base in Aichi Prefecture on Dec. 19.

The remaining two cargo planes will leave there on Dec. 16 and 17. The ASDF's liaison personnel in the Iraqi capital of Baghdad will leave there on Dec. 16.

There are about 210 ASDF members currently on the Iraq mission, and about 150 of them will arrive at the Komaki base on Dec. 23 on a government plane. The other ASDF members will be engaged in the work of removing ASDF facilities. They are expected to return home around March next year.

The ASDF squadron has carried out a total of 821 airlifts since its airlift activities in Iraq started in 2004. The C-130's alarm, which indicates a missile attack, was often activated, so the C-130s had to turn around to evacuate. "It's miraculous that all can return home safely," an ASDF staff officer said.

2) ASDF unit starts withdrawing from Iraq, with no casualties

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SANKEI (Top play) (Excerpts)  
December 16, 2008

The Air Self-Defense Force (ASDF) transport unit began on Dec. 15 withdrawing from Iraq following the completion of its airlift mission. One of the three C-130 cargo planes based in Kuwait took off from Ali Al Salem Air Base. Five personnel who had been sent to the coalition forces' headquarters in Baghdad to collect information have also returned to Japan. During the transport mission in Iraq in a remarkably dangerous state, the C-130 cargo planes were about to be hit by a missile. A bill submitted by the Democratic Party of Japan with the aim of abolishing the Iraq Special Measures Law demoralized the Self-Defense Forces, and a competent pilot has left the SDF. What happened behind the scenes during the five-year airlift mission that has been completed with no casualties?

Former Chief Cabinet Secretary Nobutaka Machimura abruptly announced on Sept. 11 a plan to pull the ASDF troops out of Iraq. The announcement was made, based on an official telegram sent by the U.S. government on the previous day.

The telegram noted: "The Iraqi government intends to keep only troops from six nations (including the U.S., Britain, and Australia) in the nation and to have the rest of the coalition forces withdraw their troops." Washington also notified Japan of its plan to announce that Japan was not among the six nations. The Japanese government, which wanted to withdraw troops on its own judgment, announced a withdrawal plan in haste, showing that Japan had not prepared any exit strategy.

Dangerous scenes

There were scenes where SDF personnel were scared stiff. A U.S. military plane that had taken off from Baghdad Airport 15 minutes after an ASDF C-130 transport left the same airport was attacked with an anti-aircraft gun. In another case, four missiles flew over a VIP-carrying C-130 plane readied on a runway of the airport.

According to an SDF officer, there were about 30 attacks on Baghdad Airport when the security situation was growing worse, although it was designated as a noncombat zone. Baghdad Airport was the most dangerous place for the ASDF unit, which transported UN and U.S.-led multinational force members, as well as goods, connecting the

Kuwaiti base with three Iraqi cities.

There was a case in which the pilot wondered if he should land the plane because a missile attack on the airport had taken place just before its landing. The SDF officer said: "Even one accident involving personnel or a C-130 plane will give rise to arguments calling for withdrawal from Iraq." The ASDF unit was expected to play a "perfect game."

#### High evaluation

The SDF has been rated high by other multinational force members, with one remarking, "They are well-regulated, though there is no military law." Another said: "The C-130 aircraft is almost 100 PERCENT operational, and their credibility is outstanding." In addition to their flight skills and reliability, their morale drew much attention. About five out of the nine U.S. cargo planes are in operation. ASDF unit members did maintenance on them all night, so

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three planes were always available.

#### Morale dampened

"Two events affected the morale of troops like a body blow," a senior ASDF member said. What he pointed out was the bill submitted by the DPJ calling for abolishing the Iraq special measures law and a ruling handed down by the Nagoya High Court this April against the ASDF airlift mission in Iraq. Set off by these developments, the bases began to swarm with demonstrators, and fliers criticizing ASDF activities were distributed at ASDF billets. Troops began to feel uneasy, and their families started harboring doubts about the operations carried out by their husbands or fathers.

"We appreciate the families for their devoted support of the mission." This is a part of the message sent by U.S. Defense Secretary Gates to Defense Minister Yasukazu Hamada last month. But no words of appreciation were found in a statement issued by Prime Minister Taro Aso following the announcement of a decision to end the ASDF airlift mission. A senior Defense Ministry official, recalling the five years of the mission, said: "If the government keeps depending on the SDF's sense of mission, without offering words of gratitude toward their families, their international duties might end in failure."

3) DPJ execs to meet with ex-Pentagon officials affiliated with Democratic Party

MAINICHI (Page 2) (Full)  
December 16, 2008

Democratic Party of Japan (Minshuto) Secretary General Yukio Hatoyama and other DPJ leaders will meet Dec. 19 with Kurt Campbell, who was deputy assistant secretary of defense in the Clinton administration, and they will also meet with other Democratic Party affiliates who were in defense-related key posts. The DPJ proposed meeting with them as they will visit Japan. The DPJ will seek their understanding for the party's standpoint opposing the government's plan to relocate the U.S. military's Futenma airfield in Ginowan, Okinawa Prefecture, within Okinawa Prefecture. The party has been calling for relocating the airfield elsewhere outside the island prefecture.

In addition to Campbell, Joseph Nye, former assistant secretary of defense, and Michael Green, former adviser on Asia-Pacific affairs at the Department of Defense, will also attend the meeting. Those attending from the DPJ include DPJ Deputy President Naoto Kan and two DPJ vice presidents, Katsuya Okada and Seiji Maehara, in addition to Hatoyama.

In the meeting, the DPJ will convey its stance against extending the Maritime Self-Defense Force's refueling activities in the Indian Ocean but will tell them about its idea of conducting humanitarian and reconstruction assistance in Afghanistan premised on an armistice agreement. The DPJ will also stress that there will be no change in the party's stance of attaching importance to the alliance

between Japan and the United States.

4) DPJ rocking government, ruling camp with job security bills with intention to press them to cooperate for their enactment

YOMIURI (Page 2) (Full)

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December 16, 2008

The Democratic Party of Japan (DPJ) yesterday submitted to the Upper House four employment measures bills, including assistance for the lives of temporary workers whose labor contracts have been terminated, jointly with the Social Democratic Party (SDP) and the People's New Party (PNP). The DPJ is pressing the government and the ruling coalition to have the bills passed during the current Diet session.

The four bills include an amendment to the Labor Contract Law, which regulates cancellation of job offers to new graduates, and a bill to secure housing and jobs, including lending houses or providing livelihood assistance benefits up to 100,000 yen a month to temporary workers who lost living places due to the termination of labor contracts. Its aim is to impress its speedy approach to the employment problem, while highlighting the government's lack of policy as can be seen in the postponement of the submission to the regular Diet session of the second supplementary budget bill for fiscal 2008, which includes employment measures.

DPJ President Ozawa yesterday told reporters in Kyoto City: "How to see the old year out and the new year in is a serious problem. The government should have no objection to the idea of stabilizing the employment situation." DPJ Secretary General Hatoyama at his fund-raising party held in Tokyo appealed: "The extraordinary Diet session is not over yet. The approach of the government and the ruling parties are acting in a manner of making people think that the curtain came down. That is wrong."

The DPJ's scenario is to adopt the bills in the Upper House before this weekend, send them to the Lower House and then to have the heads of the three opposition parties meet with Prime Minister Aso and press him to cooperate for the enactment of the bills. In this connection, the Upper House Diet Steering Committee, chaired by Takeo Nishioka, decided to have 11 bills submitted by the DPJ brought to the committee. Following the move, DPJ Diet Affairs Committee Chairman Kenji Yamaoka and Upper House Diet Steering Committee Chairman Susumu Yanase met and confirmed a policy of having the Upper House Welfare and Labor Committee enter into deliberations on the four employment measures bills on the 18th and adopt them the same day.

5) Can Aso contain ruling bloc's opposition to specifying consumption tax hike in mid-term program? Relies heavily on Economic and Fiscal Policy Minister Yosano

YOMIURI (Page 4) (Excerpts)

December 16, 2008

The focus is now on whether Prime Minister Taro Aso can squelch the ruling bloc's opposition to specifying his stock argument of raising the consumption tax rate in fiscal 2011 in a mid-term tax reform program to be drawn up by the government. The prime minister's failure to demonstrate strong leadership is certain to weaken his grip on power.

Before the House of Councillors Audit Committee yesterday, the prime minister reiterated his view, saying: "The basic idea is that the mid-term social welfare plan would not stand without considering a hike in the consumption tax (rate)." The prime minister first presented a plan to raise the consumption tax in three years' time

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in a press conference on October 30. On December 12, the ruling bloc presented a tax reform outline that did not specify any specific

timing of raising the consumption tax. This promoted the prime minister to comment, "(Raising the rate) is the basic principle of the party of responsibility."

With the next House of Representatives election approaching, opposition is strong in the New Komeito, with one senior member saying, "If raising the tax in three years' time is specified, we will have an uphill battle in the election." A cautious stance is widespread in the Liberal Democratic Party as well in consideration of the next Lower House election and relations with the New Komeito. In a fund-raising party held in Tokyo yesterday, former LDP Secretary General Hidenao Nakagawa said: "There are matters that must be done before raising the tax. Speaking only of a tax hike is utterly irresponsible."

Members supportive of specifying the tax hike include Tax Commission sub panel chairman Hakuo Yanagisawa and Policy Research Council Senior Deputy Chairman Hiroyuki Sonoda. The prime minister is especially counting on Economic and Fiscal Policy Minister Kaoru Yosano. Aso exchanged views with Yosano at the Prime Minister's Office last evening. After the meeting, Aso expressed his expectations to the press corps, saying, "Economic and Fiscal Policy Minister Yosano is now coordinating views."

Yosano plans to call a Council on Economic and Fiscal Policy meeting today to make a cabinet decision on the mid-term program on around December 20 when the Finance Ministry's fiscal 2009 budget plan is presented. Yosano reportedly takes a positive view about taking a legislative step along with tax system-related bills in early January.

6) LDP's Koga suggests review of cooperation with New Komeito in proportional representation segment of Lower House election; Rift may be widened between two parties

SANKEI (Page 5) (Full)  
December 16, 2008

Liberal Democratic Party (LDP) Election Strategy Council Chairman Makoto Koga met last night with the secretaries general of the factions of the LDP. In the meeting, Koga referred to a review of cooperative relationship with the New Komeito in the proportional representation segment of the House of Representatives election, although the LDP had promised to back the New Komeito's candidates for the proportional representation segment in return for the New Komeito's support for its candidates for electoral districts. There is already strong resistance in the New Komeito, with one senior member saying: "What is he talking about all of sudden?" The rift between the two ruling parties will inevitably be widened.

According to participants in the meeting, one attendee pointed out: "I was told by a religious sect official that the LDP should cut its ties with the New Komeito. (If the LDP does so) former supporters will go back to the LDP." In response, Koga was quoted as saying:

"I wonder if it is good for our party to let 180 proportional representation seats go to the New Komeito. We must win both electoral district and proportional representation seats or our party will lose power."

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Koga also reportedly said:

"The question is how many votes the LDP can obtain in the proportional representation elections. We should stop saying that (LDP candidates) cannot win votes in the proportional representation segment. I am not recommended by the New Komeito."

Following Koga, Election Strategy Council Deputy Chairman Yoshihide Suga also said: "Neither Prime Minister Taro Aso nor I am recommended (by the New Komeito)."

The LDP and New Komeito have agreed in principle not to call on voters to vote for the New Komeito in their campaigning for the proportional representation election. However, the LDP supported the

New Komeito candidates for the proportional representation segment in return for the New Komeito's back for LDP candidates in electoral districts. Koga's remarks appear to have been aimed at preventing conservative voters from distancing themselves from the LDP.

Meanwhile, senior officials of the New Komeito and its chief backer, religious sect Soka Gakkai, last night desperately tried to find out Koga's true intention. One senior New Komeito member put his hands on his head, saying: "I wonder whether we might have pressed the LDP too hard to make concessions on such issues as the timing of a general election and the consumption tax." Another senior member, however, rebutted him: "Even if the LDP executive is considering ending election cooperation in the proportional representation segment, there are many LDP candidates who need our support."

7) Aso again makes controversial remark, saying, "I was mistaken for an aged wanderer"

MAINICHI (Page 5) (Abridged slightly)  
December 16, 2008

Prime Minister Taro Aso, who is prone to verbal gaffes, again made controversial comments on December 14 and 15. On Dec. 14, Aso visited the Kitakyushu Eco Town that houses many recycling facilities. During the tour, Aso said: "It's amazing to see that the private sector is trying to make money for shinogi (with environmental measures)." The word shinogi connoting raising funds is often used by gangsters. The use of the word by the prime minister is likely to be criticized as lacking in disgrace.

The prime minister attended a House of Councillors Audit Committee meeting yesterday. In the session, one asked Aso for his measures to improve physical health. In response, Aso said while citing his regular morning walk: "I take a walk early in the morning at my age. Sometimes I was mistaken for an aged wanderer. I was also called to stop many times." Later, Aso met reporters at the Prime Minister's Office in which one reporter said, "Your statement sounded inconsiderate." Aso replied: "Why? I don't understand what you mean."

8) Government to downwardly revise economic growth estimate for next fiscal year to 0 PERCENT for first time in seven years

YOMIURI (Page 2) (Full)  
December 16, 2008

Concerning its economic outlook for fiscal 2009, the government on December 15 entered into coordination to downwardly revise the real

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growth rate, excluding price fluctuations, to 0 PERCENT and the nominal growth rate, which is close to the actual sentiments of households and companies, to 0.1 PERCENT. It had estimated a real growth rate for fiscal 2009 at 1.6 PERCENT as of July. However, in view of the rapid deterioration of the economy, it will slash its real growth rate forecast to 0 PERCENT for the first time in seven years. It plans to adopt the revised forecasts at a cabinet meeting to be held on the 19th.

The government will also significantly cut its forecast of growth for fiscal 2008 from the level released in July -- 1.3 PERCENT for real growth rate and 0.3 PERCENT for nominal growth rate. It had projected 2.0 PERCENT for real growth and 2.1 PERCENT for nominal growth as of January this year. However, with the impact of the financial crisis becoming more serious than anticipated, it was apparently baffled in its calculations.

The government's economic outlook projects feasible and desirable figures that can be envisaged under its policy management. It is different in nature from growth forecasts released by private-sector economists.

SCHIEFFER